37 Am. Jur. 2d Fraud and Deceit § 102

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Fraud and Deceit

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- IV. False Representations
- D. Matters of Law
- 1. In General

§ 102. Application of rule of nonliability

Topic Summary | Correlation Table | References

West's Key Number Digest

West's Key Number Digest, Fraud 10

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Misrepresentation by one other than insurance agent as to coverage, exclusion, or legal effect of insurance policy, as actionable, 29 A.L.R.2d 213

The rule that fraud cannot be based upon misrepresentations as to matters of law or expressions of opinion as to what is the law governing a particular transaction has been applied in many different situations. Pursuant to this principle it has been held that, as a rule, fraud cannot be predicated on misrepresentations as to the legal effect of a written instrument as, for example, a deed, a note and mortgage, a federal land warrant, or a contract of insurance.

The principle of nonresponsibility for misrepresentations of law has been applied to a statement by a doctor to a widow that it was legally compulsory for her to have an autopsy performed on the body of her husband; to representations as to matters of law related to the presence of mold in a home; to an opinion as to when an option given to a third person for the purchase of land will expire; to representations as to the responsibility of a father and mother for the debts of their son; and to expressions of opinion by the vendor or vendee of realty as to the liens that certain property is subject to, or as to its freedom from liens, a false representation by a vendor of land as to a matter of law relating to rights in and to the land.

In the absence of circumstances evoking exceptions to the general rule, ¹² it appears that misrepresentations as to tax law are within the rule that fraud cannot be predicated upon misrepresentations as to law. ¹³

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Footnotes	
1	Mutual Life Ins. Co. of New York v. Phinney, 178 U.S. 327, 20 S. Ct. 906, 44 L. Ed. 1088 (1900).
2	Adkins v. Hoskins, 176 Ark. 565, 3 S.W.2d 322 (1928).
3	Wochnick v. True, 224 Or. 470, 356 P.2d 515 (1960) (representation that chattel mortgage was valid).
4	Adkins v. Hoskins, 176 Ark. 565, 3 S.W.2d 322 (1928).
5	Adkins v. Hoskins, 176 Ark. 565, 3 S.W.2d 322 (1928).
6	McDonald v. Goodman, 239 S.W.2d 97 (Ky. 1951).
7	Allstate Ins. Co. v. Sutton, 290 Ga. App. 154, 658 S.E.2d 909 (2008).
8	Rheingans v. Smith, 161 Cal. 362, 119 P. 494 (1911).
9	Yappel v. Mozina, 33 Ohio App. 371, 169 N.E. 315 (8th Dist. Cuyahoga County 1929).
10	Bonded Adjustment Co. v. Anderson, 186 Wash. 226, 57 P.2d 1046, 106 A.L.R. 166 (1936).
11	Rheingans v. Smith, 161 Cal. 362, 119 P. 494 (1911); Epp v. Hinton, 91 Kan. 513, 138 P. 576 (1914), opinion modified on other grounds on denial of reh'g, Epp v. Hinton, 91 Kan. 919, 139 P. 379 (1914).
12	§§ 103 to 105.
13	Salter v. Brown, 56 Ga. App. 792, 193 S.E. 903 (1937); Blaisdell v. Derees, 101 N.J. Eq. 723, 139 A. 178 (Ct. Err. & App. 1927); Parker v. Raleigh Sav. Bank, 152 N.C. 253, 67 S.E. 492 (1910).

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